1] Alberta.

2] Bureau of Statistics

3] REVIEW OF BUSINESS CONDITIONS - ALBERTA, 4] 1952

(Preliminary Report prepared November 15th, 1952)

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952

(Preliminary Report prepared November 15, 1952)

Business conditions in Alberta are affected by many circumstances, but in 1952, the evidence of a more than abundant crop created an atmosphere which could be termed "buoyant".

The spring was early, April was an exceptionally fine dry month. At the outset, surface and sub-soil moisture supplies were good in all areas. After June 1st. precipitation was sufficient in most districts to maintain good growth throughout the season.

1952 could be described as having two crops in one. First of all, the threshing of the remainder of the 1951 crop was completed in the spring of 1952, almost without interruption and in dry condition. Then the current grain crop was harvested in most ideal conditions, the yield broke all records. The grain and seed crops were valued at $542, 000, 000 as compared with $450, 000, 000 last year. It can therefore, be said that the crop this year was double that of the average over a number of years, and this plus the harvesting of the 1951 crop in the spring could be termed "three" crops in one" in relation to long term averages. However there is no gainsaying that Alberta crops were tremendous, and were reminiscent of the 1928 crop, when yields were also record breaking.

For a number of years the livestock industry has been favoured with ample feed supplies and ready markets for finished stock. Under the circumstances, cattle feeding operations in particular developed rapidly. Many cattlemen were heavily stocked when foot and mouth disease were diagnosed in Saskatchewan last February. Animals on feed were sold at prices lower than had been anticipated and feeders took a loss.

The number of cows kept mainly for milk on farms, increased from 277, 600 in 1951 to 280, 000 in 1952 (June estimate). However creamery butter production for the first nine months of 1952 was reduced by 6 per cent from 1951, and the cheddar cheese production for the same period was down 24 per cent from the year before. Offsetting to a certain extent, the foregoing decreases, fluid sales of milk and cream were up 4 and 10 per cent respectively at the end of July.

The value of ranch furs produced, and animals exported alive for the year ending August 31st, 1952, amounted to $2, 836, 000, just $10, 000 above the value reported for the previous year.

Poultry population showed a slight increase over 1951, but while egg production may be increased by a small amount, the fall in egg prices plus a decrease in poultry meat marketings, may mean a reduction in the value of egg and poultry products for the year 1952.

Coal production has been declining since 1949 owing to the substitution of diesel oil by the railways, the increased competition from natural gas and the uneconomical underground operations of some mines.

The Petroleum industry increased to a marked degree in 1952. The number of oil wells capable of being operated, is now 3500 approximately, and there is every indication that the production will soar to heights undreamed of a few years ago. The major producing oil fields in order of importance are: Redwater, Leduc-Woodbend, Turner Valley and Acheson and their production comprises over

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
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80 per cent of the total. There are important extensions to previously discovered oil and gas fields, and with close to 140 seismograph crews in the field plus an army of drillers; geophysical, exploration and drilling operations are daily becoming more intensive.

The Natural Gas Industry is also on the upward trend. It is essential that much natural gas be produced to fill the needs of present and potential users, and that adequate reserves be maintained at all times for such purposes.

The Manufacturing or processing industry has reached new heights and this has been accounted for principally by industries related to the petroleum and natural gas industries. In addition to those referred to, the production of Sulphur, for the first time, has come into the picture. This was obtained from hydrogen sulphide extracted from natural gas entering absorption plants in the Jumping Pound and Turner Valley fields. The groups of industries which benefit mostly from the development of petroleum and natural gas, in addition to those grouped under Non-Metallic Products, are Chemical Products and Iron and Steel Products. When the new petro-chemical industries such as the Canadian Industries Ltd., Calgary, the Canadian Chemical Co. Ltd., Edmonton, the Sherritt-Gordon Gold Mines Ltd., Fort Saskatchewan, the Western Chemicals Ltd., Duvernay, and others, commence production on a large scale, the Province of Alberta will then be in an enviable position to forge ahead.

In 1952, the Lumber Industry has not been in as favourable a position as other industries. Lumbermen report a feeling that there has been a slight over-production in the past few years and this coupled with the reduced margins of profit in exports has resulted in a softening of prices and a slight decline in production.

There has been a noticeable increase in the production of plants connected with Stock and Poultry, Feed Concentrates, and the Slaughtering and Meat Packing Plants after recovering from the scare of the 'foot and mouth' disease, increased the meat production somewhat, but suffered a decline in prices which places the total value a little lower than last year.

For 1952, Flour Mills showed a slight decrease in production and value. Sugar manufactured from suger-beets reached a new high at 130, 000, 000 pounds; last year the figure was 80, 320, 700 pounds. Sugar content of beets averaged over 17 per cent.

The Construction Industry in Alberta is basic not alone to the manufacturing or processing industries of the province, but also to trade and commerce as a whole. In the year 1952, the value of the contracts awarded will be in the neighbourhood of $220, 000, 000, as compared with $183, 075, 100 in 1951.

Industrialists, commercial and domestic users have taken full advantage of the power facilities in 1952. The consumption this year is expected to reach 1, 200, 000, 000 K. W. Hours as compared with 1, 000, 000, 000 K. W. Hours in 1951. The farm electrification programme is making very satisfactory progress, nearly 16, 000 farms have been electrified and this will add a considerable amount to the consumption of electric power. A great impetus to the power production of the province was the coming into operation of four Calgary Power Plants,

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
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totalling over 100, 000 horse-power in the Banff-Canmore district. The present horse-power of Water Power Plants is approximately 209, 000. Developed Primary Power is 300, 000 horse-power, Pole Line Mileage 17, 000, Number of Customers 200, 000. To provide for the increased demand from industrialists and others, Central Electric Stations will have their power capacity taxed to the limit.

The following is a Summary of the value of production of the manufacturing or processing industries in Alberta, by groups of industries, for the year 1952, as compared with that of 1951 and 1950.

INDUSTRIAL GROUP	1950 $	Per Cent of Total %	1951 $	Per Cent of Total %	1952 $	Per Cent of Total %
Foods and Beverages	219, 669, 000	54. 53	239, 000, 000	55. 19	250, 000, 000	54. 13
Leather Products	189, 000	. 05	190, 000	. 04	190, 000	. 04
Textile Products (exc. clothing)	2, 365, 000	. 59	2, 500, 000	. 58	2, 600, 000	. 56
Clothing - textile and fur	7, 258, 000	1. 80	7, 500, 000	1. 73	7, 500, 000	1. 62
Wood Products	42, 743, 000	10. 61	45, 000, 000	10. 39	42, 000, 000	9. 10
Paper Products	2, 312, 000	. 57	2, 500, 000	. 58	3, 000, 000	. 65
Printing, Publishing, etc.	11, 474, 000	2. 85	11, 500, 000	2. 65	12, 000, 000	2. 60
Iron and Steel Products	16, 826, 000	4. 18	18, 000, 000	4. 16	20, 000, 000	4. 33
Transportation Equipment	12, 189, 000	3. 02	13, 000, 000	3. 00	13, 500, 000	2. 92
Non-Ferrous Metal Products	1, 100, 000	. 27	1, 200, 000	. 28	1, 300, 000	. 28
Electrical Apparatus and Supplies	65, 000	. 02	70, 000	. 02	75, 000	. 02
Non-Metallic Mineral Products	16, 900, 000	4. 20	17, 500, 000	4. 04	19, 000, 000	4. 11
Petroleum and Coal Products	59, 900, 000	14. 87	65, 000, 000	15. 01	80, 000, 000	17. 32
Chemicals and Allied Products	8, 331, 000	2. 07	8, 500, 000	1. 96	9, 000, 000	1. 95
Miscellaneous Manufacturing Industries	1, 500, 000	. 37	1, 600, 000	. 37	1, 700, 000	. 37
TOTAL	402, 821, 000	100%	433, 060, 000	100%	461, 865, 000	100%

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
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NEW INDUSTRIES

An authentic list of New Industries, Alberta, established or contemplated during 1952, will be furnished by Mr. Richard Martland, Director of Industrial Development, Department of Economic Affairs, Legislative Buildings, Edmonton, at the end of 1952. In the meantime a tentative list has been prepared by the Provincial Bureau of Statistics, and this will be found in "Summary of General Statistics for the Seven months ended July 31st, 1952, as compared with the corresponding period in the year 1951." It should be borne in mind that it takes some time before new industries come into full production as there are many delays in the construction of plants and the procuring of necessary equipment.

TRADE

The Edmonton Chamber of Commerce made the following survey with regard to business conditions in Edmonton, to October 1952, as compared with similar period in 1951:

WHOLESALE:

BISCUITS AND CONFECTIONERY:
Sales up over a year ago. Candy prices are down fractionally, but biscuit prices firm.

DRY GOODS:
(1) Business better than a year ago, but collections at the moment rather slow.

(2) Very much better, with certain lines - leather, wool - down in price.

HARDWARE:
Prices fairly stable with those of a year ago; volume of business increased over a year ago.

RUBBER:
Sales greater than last year, despite drop in tire prices, effective in April of 1952.

GROCERY
Sales volume higher than last year, but inclined to be slow at the present time.

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
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TRADE (CONTINUED)

WHOLESALE (Continued):

AUTOMOTIVE SUPPLY:

Volume and dollar value very good - above last year. Report no marked increase in wholesale prices.

IMPLEMENTS:

(1) Volume of business higher than a year ago. Prices about equal those of last year.

(2) Another firm reports business much better this year, but anticipate higher prices on implements next year because of increased wages and steel prices, which they anticipate will be authorized by the Dominion Government.

ELECTRICAL:

Increased volume of business in 1952; prices about the same.

RETAIL:

OFFICE FURNITURE:

Business better than a year ago, possibly due to the fact that supplies are easier and more being received.

GROCERY:

Sales up over a year ago, but some prices are down - meat about 25 per cent, lard, coffee, sugar.

DRUGS:

Sales considerably higher than a year ago. Reports that in a recent four-day sale, they took in as much money in the first three days of the sale as they took in during the whole four days last year.

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
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TRADE (CONTINUED)

RETAIL (Continued):

DEPARTMENT STORE:

(1) Report volume above last year. Some easing of prices, particularly wool, which in the case of winter coats would be about 10 per cent.

(2) Business showing improvement - money easier - credit restrictions eased - some lines, such as wool, Leather -down.

NEWS AND CANDY:

Sales up about 21 per cent over last year. Tobacco prices down; candy imported from Old Country about the same, accounted for by the fact that although prices in Old Country are up fractionally, the English pound is lower.

FURNITURE:

Sales ahead of last year possibly because of easing of credit restrictions. Furniture likely to be higher next year - wage increases - freight rate increased.

STATIONERY:

Office lines ahead of a year ago. Counter cash sales about equal to those of last year.

JEWELLERY:

Slightly higher than a year ago; prices about the same.

BOOTS AND SHOES:

Business very good - only slight decreases in the price of shoes.

LADIES READY-TO-WEAR:

(1) Business better than a year ago, but better class of merchandise is at a premium.

(2) Sales higher than a year ago. Prices on suits and coats slightly lower. Fall weather this year, however, is not helping the demand for winter merchandise

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
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TRADE (CONTINUED)

RETAIL (Continued):

MEN'S READY-TO-WEAR:

(1) Business better than a year ago - prices of imported woollens slightly down.

(2) Business generally better, but fall weather presently unseasonable.

In addition to the foregoing, representative businessmen furnished valuable information relating to business conditions in Alberta, and the following is an abstract:

GROCERY:

The year 1952 has been one of greater fluctuations than for many years past. A large number of commodities have decreased in price, and a goodly number have increased. The prices of the products, in general, are about one and one-half per cent higher than a year ago, but there is certainly every indication that we are going through a levelling-off period. This will not be drastic, but instead, gradual. The volume is nicely increased over a year ago, and we think that this is the general picture in Northern Alberta.

The foregoing is based on the present status. Should there be any increase in hostilities, freight rates, labor, tin plate, labels, etc., the feeling could be totally wrong.

The bulk of sales are, of course, in heavy lines, one of these being canned foods, and referring to vegetables particularly, the crop has been favorable, no shortages whatsoever are anticipated except in isolated cases that may arise from time to time. Despite increases in costs going into the production of canned vegetables, canners' quotations are much the same as a year ago. Indeed there are still some distressed stock quotations, notably Corn which is very low. The shortage predicted a year ago did occur, because of buying very substantial quantities of canned goods from the United States, as this merchandise was not available in Canada.

Canned Fruits have remained fairly firm, with the volume lines such as Peaches, Plums and Apricots being notably lower than a year ago. This is the result of the very substantial crop in British Columbia and a good average crop in the East. We look for a softening in the Canned Fruit market, unless the present low prices result in an unusually heavy usage by the consumer to clean up normal inventories.

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
(Preliminary Report prepared November 15, 1952)

TRADE (CONTINUED)

GROCERY (Continued):

Canned Apples and Apple Juice are increasing in price because of the shortage of Apples in British Columbia. The MacIntosh deal is finished, and apparently the winter Apple crop is not too good. The large pack last year was sold before new supplies appeared so there is every possibility of a scramble to "cover up" on enough Canned Apples and Apple products to last. Citrus Juices are now at one of the lowest points in history, resulting in a tremendously heavy consumption, and it appears that the new crop, which is generally ready around the middle of December, will be priced at about the same as the low point last summer. Pineapple Juice and Canned Pineapple prices are soft, but Juice is not a volume item and good Canned Pineapple is still considerably higher than our own domestic Fruits, which are much better in flavor. Tomato Juice is very low although there was a slight increase recently, but it is still not as cheap as Citrus Juices which are outselling Tomato.

There have been fairly substantial decreases in Sugar throughout the summer, and peculiarly enough, two of these occurred at the height of the preserving season. The Sugar market is still weak, but further declines are not looked for just now. There are, however, ample stocks of Sugar Beets in Canada but it is not possible to determine what future bearing this will have on the price.

Canned Salmon has decreased in price, even in the face of higher prices for fresh Fish being paid to the fishermen. The experience of the industry last spring and summer was that Mrs. Housewife would not buy Salmon even though it compared very favorably in price with Meat. Consequently it was felt that lower quotations would result in increased demand for Salmon particularly, and the Department of Agriculture has arranged a comprehensive advertising scheme to increase the consumption. Sardines are quite low in price, and volume is good, although rumours have been heard that quotations will be increased approximately 50¢ to 65¢ a case in the immediate future.

Cereal products have not fluctuated to any extent although domestic prices for White Beans have decreased because of the new crop coming in, which is fairly heavy. Corn Flakes and other pre-cooked Cereals are quite stable but there has been some small fluctuation in Barley, Flour, and other domestic products lately.

Cake Mixes are mentioned in this report because these are getting to be very well accepted by the women. These sell from 29¢ to 35¢ a package depending on the variety, and apparently they are priced right because sales are increasing daily.

The Coffee market is quite firm but we do not look for any further increases. We understand that the exporting countries would prefer to hold back some of their crop rather than dump it in its entirety, which would tend to decrease offers. The tea situation remains fairly constant and we do not anticipate any adjustment here.

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
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TRADE (CONTINUED)

GROCERY (Continued):

Evaporated Apricots, Figs, Peaches and Pears have been very firm, with the exception of Figs, and are so high in price that there is very little sale for them. The Australian Raisin crop is once again short and we hardly think that our supplies will last much more than over the Christmas season. California Raisins after reaching a fairly high price in the summer have decreased lately and these sell at about the same figure as Australians. There are substantial supplies of Currants, and the price is stable.

Dates are at a reasonable figure and sales as usual are heavy at this time of the year. Prunes have been far too high in price and sales have been negligible. Apparently the consumer will not pay more than 20¢ to 25¢ a pound for Prunes and it is reflected in distribution throughout the entire industry. If there is a substantial tonnage of new crop Prunes in the States, there will have to be a reduction in price to increase consumption.

There are ample stocks of seasonable lines for the Christmas trade, such as Peel, Cherries, Mincemeat, Nuts in shell, etc. Nuts in shell are very high and we think the entire wholesale trade is buying on the short side anticipating some resistance from the consumer.

Honey prices increased fairly substantially recently. The old crop was practically sold out and the crop this year is not as heavy as was expected. This is applicable, we understand, right across the Prairies.

The Jam market, which is a volume one, has shown some signs of fluctuation because some canners have been "long" on certain varieties and in order to move them, have offered special prices. Strawberry and Plum Jams are lower than a year ago which is resulting in increased sales, but Raspberry remains fairly high in relation to the other two. The off varieties, such as Peach, Black Currant, etc, are not actually factors.

Macaroni prices declined not too long ago and it apparently has a lot of appeal as a food to people because sales are very substantial and increasing. One of the reasons for its popularity is because it can be mixed with so many ingredients to form the main course of a meal.

The Evaporated Milk situation is ample. There was a good production in Northern Alberta and East and West Condenseries are endeavouring to sell their products vigorously. There is no indication of any price decline, but if the market moves at all, it can only go lower.

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
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TRADE (CONTINUED)

GROCERY (Continued):

Peanut Butter remains fairly firm because of the Peanut in shell market. It continues to sell in volume however, even at $1.10 to $1.15 for a 4 pound tin.

Rice has been showing some evidence of declining this year in sympathy with the American market. Supplies of Rice are bought from the United States and some processors endeavored to sell their Rice into Canada, with the result that the Canadian processors had to reduce their prices to be competitive.

Salt, which is one of the staples in the Grocery business is constant, and shows no evidence of any fluctuation in price.

Soap and Soap products have been declining continuously, reflecting the increase in supplies of Vegetable Oils on the international market. Detergents, which are rapidly replacing Soap have not declined. A prediction was made over ten years ago by a Soap executive to the effect that in the future there will be no Soap sold and that detergents will replace it completely. The trend has been that way for two or three years, and is gaining in rapidity.

Corn Starch and Corn Syrup have remained stable and as there is a good Corn crop in the States, no increases are expected.

Biscuit sales have been exceptionally good. They appear to be priced right and Mrs. Consumer is using more of these, very likely because she is doing less cooking at home. This would be one of the reasons, also for the strides made in the promotion of Cake Mixes.

Cocoa and Cocoa products are altogether too high and sales have suffered accordingly.

Supplies of Paper products are quite satisfactory, although the Mills are constantly behind in their orders and it is necessary to anticipate requirements at least a month ahead.

It is impossible to forecast the situation on import items such as Sago, Tapioca, Cocoanut, Shelled Walnuts and Shelled Almonds, but Shelled Walnuts are very high with every possibility of further increases. These commodities can only be bought infrequently and very often because of lack of shipping space, grocers are out of stock.

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
(Preliminary Report prepared November 15, 1952)

TRADE (CONTINUED)

GROCERY (Continued):

The Tobacco and Cigarette picture is complete with no shortage of supplies. The Tobacco Companies have decided that they will discontinue quite a number of their lines which are not selling too well and are concentrating on popular brands of both Cigarettes and Tobacco. They feel that there will be a decrease in investment for themselves, wholesaler and retailer alike. Sales are good and there seems to be no lessening in demand.

A heartening factor is the fact that the farmer was able to thresh his entire crop this year. Adversely he is unable to sell it all and once again some retailers are saddled with too much outstanding credit.

No prediction is being made as to the effect the election in the United States will have on the Food market, but it should not be drastic. The winter Wheat situation in the middle States appears to be poor and this could have an effect on our cereal economy. It is doubtful because of the tremendous carry-over of grain here and the future possibilities of selling it on the international market.

HARDWARE:

Hardware business conditions during the first six months of the year were very spotty and slow at times, but in July, business became steady. Since then, sales increased to the extent of more than offsetting decreases in previous months, and an overall increase may be looked for at the close of 1952. Prices have held reasonably steady throughout the year, but with wage increases being paid to steel workers, there is not much doubt but that there will be price increases on all steel lines such as nails, wire, sheets, plates, bars, etc., and should the railroads be granted a further freight increase, that will inevitably mean further price increases all along the line, depending, of course, on the percentage increase allowed to railroads.

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
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TRADE (CONTINUED)

DRYGOODS -- INCLUDING FOOTWEAR:

Sales for the year will probably show an increase of from 12 to 15 per cent. The cost of doing business is also showing a marked rise and as a result, profits may be down somewhat. There was an indication of a slight recession in prices earlier in the year. This lasted for a matter of five to six weeks and prices are now back to what they were a year ago.

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*WHOLESALE AND RETAIL TRADE - ALBERTA

	1951	1952
	$	$
Wholesale Trade----------	480, 000, 000	516, 240, 000
Retail Trade----------	831, 317, 000	917, 525, 000

*Subject to revision.

H P Brownlee
H. P. Brownlee
PROVINCIAL STATISTICIAN:

REVIEW OF BUSINESS CONDITIONS - ALBERTA, 1952 (Continued)
(Preliminary report prepared November 15, 1953)

TRADE (CONTINUED)

DRYGOODS -- INCLUDING SOCKS, ETC.:

Sales for the year will probably show an increase of from 12 to 15 per cent. The cost of doing business is also showing a marked rise and as a result, profits may be down somewhat. There was an indication of a slight recession in prices earlier in the year. This lasted for a matter of five to six weeks and prices are now back to what they were a year ago.

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*WHOLESALE AND RETAIL TRADE - ALBERTA

	1951 $	1952 $
Wholesale Trade	480,000,000	516,240,000
Retail Trade	881,317,000	917,225,000

*Subject to revision.

H. P. Powell
PROVINCIAL STATISTICIAN.